H-5163.1	

HOUSE BILL 3312

State of Washington 59th Legislature 2006 Regular Session

By Representatives Chase, Hasegawa, Williams, Ormsby and Appleton
Read first time 02/11/2006. Referred to Committee on Commerce & Labor.

- 1 AN ACT Relating to fair employment practices; and adding a new 2 chapter to Title 49 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. The legislature intends to set forth certain rights and remedies with respect to wrongful discharge. These rights and remedies are intended to aid the enforcement of the state's antidiscrimination laws and related policies by replacing the common
- 8 law at-will employment doctrine with a just cause standard.
- 9 <u>NEW SECTION.</u> **Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 11 (1) "Discharge" means involuntary dismissal from employment, and 12 includes, but is not limited to:
- 13 (a) A resignation that results from an improper or unreasonable 14 action or inaction of the employer; and
 - (b) A reduction in pay of twenty-five percent or more.

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16 (2) "Employer" includes any person acting in the interest of an 17 employer, directly or indirectly, who employs eight or more persons.

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- 1 (3) "Employee" means a person who is employed by an employer for 2 hire. "Employee" does not include any individual employed by his or 3 her parents, spouse, or child, or in the domestic service of any 4 person.
 - (4) "Benefits" means the value of any employer-paid vacation leave, sick leave, disability insurance plan, medical insurance plan, life insurance plan, and pension benefit plan in force on the date of the termination.
- 9 (5) "Just cause" means reasonable job related grounds for dismissal 10 based on a failure to satisfactorily perform job duties, misconduct, or 11 legitimate business reasons.
- 12 (6) "Lost wages" means the gross amount of wages that would have 13 been reported to the internal revenue service as gross income.
- 14 (7) "Misconduct" means the employee behaved in a manner 15 inconsistent with the continuation of employment.
- 16 (8) "Willful misconduct" means the employee knew what to do and 17 deliberately did not do it, or knew what not to do, and deliberately 18 did it. A mistake, especially if due to inexperience or lack of 19 training, is not considered to be willful misconduct.
- NEW SECTION. Sec. 3. (1) A discharge is wrongful if it is not for just cause. To satisfy just cause, the discharge must be based on failure to perform job duties, misconduct, or the success and efficiency of the business.
- 24 (2) The following conduct shall under no circumstances be 25 considered just cause:
- 26 (a) Exercise of rights under the First Amendment to the United 27 States Constitution;
 - (b) Exercise of other legal rights or civic obligations;
- 29 (c) Revelation of what the employee in good faith believes to be 30 illegal or unethical conduct by the employer;
- 31 (d) Good faith refusal to engage in illegal conduct requested by 32 the employer; and
- 33 (e) Misconduct which, by action or inaction, the employer 34 encouraged, condoned, or forgave.
- 35 (3) The following acts may be considered just cause for dismissal, 36 and require only one provable incident to justify dismissal:
- 37 (a) Serious willful misconduct;

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- 1 (b) Assault or harassment of coworkers, managers, clients, or 2 customers;
- 3 (c) Theft;

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- 4 (d) Serious breach of duly published company rules or practices; 5 and
 - (e) Fraud and dishonesty.
- 7 (4) If an employee is discharged for unsatisfactory performance, 8 the employer must show the following criteria have been met:
 - (a) The employer makes the employee aware of an expected standard of performance. Unless a collective bargaining agreement provides otherwise, the employer has the right to determine how the business will be conducted and may adopt any procedure or standard of performance, as long as it is not unlawful, dishonest, or unsafe, and is within the ability of the employee to perform;
- 15 (b) If the employee failed to meet the expected performance 16 standard, the employer has made reasonable efforts to assist the 17 employee, by training or otherwise, to meet the expected performance 18 standard;
 - (c) The employee, despite the employer's reasonable efforts to assist, fails to meet the expected performance standard; and
 - (d) The employer has specifically notified the employee that continued failure to perform to the expected performance standard will result in dismissal.
 - (5) If an employee is discharged for a cause related to the success and efficiency of the business, the employer must show that the choice of which employees to discharge was directly related to the success and efficiency of the business.
 - (6)(a) During a probationary period of employment, the employment may be terminated at the will of either the employer or the employee on notice to the other for any reason, or for no reason, except for unlawful reasons.
- 32 (b) If an employer does not establish a specific probationary 33 period or provide that there is no probationary period to or at the 34 time of hire, there is a probationary period of three months from the 35 date of hire.
- NEW SECTION. Sec. 4. (1) If an employer has committed a wrongful discharge, the aggrieved employee may file a complaint in superior

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- 1 court. The court may award the employee: (a) Reinstatement to his or
- 2 her former position; (b) pay, lost wages, and benefits for a period not
- 3 to exceed four years from the date of discharge, together with interest
- 4 on the lost wages and benefits; and (c) costs and reasonable attorneys'
- 5 fees.
- 6 (2) The employee may recover compensatory damages otherwise allowed
- 7 by law if it is established by clear and convincing evidence that the
- 8 employer willfully committed wrongful discharge, and the employee can
- 9 show evidence of economic damages as a result of the wrongful
- 10 discharge.
- 11 (3) The burden of proof is on the employer to show the employer had
- 12 just cause for the discharge.
- 13 <u>NEW SECTION.</u> **Sec. 5.** This chapter does not apply to the discharge
- 14 of an employee covered by a written collective bargaining agreement
- 15 which includes a just cause provision or a written contract of
- 16 employment for a specific term.
- 17 <u>NEW SECTION.</u> **Sec. 6.** This act may be known and cited as the "just
- 18 cause act."
- 19 <u>NEW SECTION.</u> **Sec. 7.** Sections 1 through 6 of this act constitute
- 20 a new chapter in Title 49 RCW.

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